

IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION

ECLIPSE LIQUIDITY, INC.,	§	
	§	
Plaintiff,	§	
v.	§	
	§	
AVOR NAVIGATION LTD.; ADVANTAGE	§	
ARROW SHIPPING, LLC; GENEL	§	C.A. NO. 4:15-CV-1645
DENIZCILIK NAKLIYATI A.S. A/K/A	§	
GEDEN LINES; ADVANTAGE TANKERS,	§	
LLC; ADVANTAGE HOLDINGS, LLC; and	§	
FORWARD HOLDINGS, LLC	§	
	§	
Defendants.	§	
PSARA ENERGY, LTD.,	§	
	§	
Plaintiff,	§	
v.	§	
SPACE SHIPPING, LTD.; ADVANTAGE	§	
ARROW SHIPPING, LLC; GENEL	§	
DENIZCILIK NAKLIYATI A.S. A/K/A	§	
GEDEN LINES; ADVANTAGE TANKERS,	§	C.A. NO. 4:15-CV-1673
LLC; ADVANTAGE HOLDINGS, LLC; and	§	
FORWARD HOLDINGS, LLC	§	
	§	
Defendants.	§	
TANK PUNK, INC.,	§	
	§	
Plaintiff	§	
	§	
SPIKE SHIPPING, LTD.; ADVANTAGE	§	
ARROW SHIPPING, LLC; GENEL	§	C.A. NO. 4:15-CV-01675
DENIZCILIK NAKLIYATI A.S. A/K/A	§	
GEDEN LINES; ADVANTAGE TANKERS,	§	
LLC; ADVANTAGE HOLDINGS, LLC;	§	
And FORWARD HOLDINGS, LLC	§	
Defendants.	§	

**FIRST DECLARATION OF DESPOINA BACHA**

I, Despoina Bacha under 1746 of Title 28 of the United States Code, hereby declare and say the following under penalty of perjury:

1. I am an individual of sound mind, and have never been convicted of a crime of moral turpitude. This declaration is submitted in the above consolidated suits in support of the respective Plaintiffs' response to Defendants' motion to dismiss or vacate the orders of maritime attachment and garnishment that were issued against the M/T ADVANTAGE ARROW.

2. I am a citizen of Greece and a resident of Athens and a lawful representative of the Plaintiffs, and duly authorized on their behalf to make this declaration which is based on my personal knowledge, documents and writings contained in the records of the Plaintiffs, on public records in, Malta and the Marshall Islands, and other countries, and on information provided to me by lawyers, and solicitors in other countries, and other information available to the public at large.

3. I am familiar with the business transactions out of which Plaintiffs' claim arise. My declaration is also based on documents and information given to me by employees and agents of the Plaintiffs and respective attorneys.

4. I am familiar with the contents of the Original Verified Complaints that were filed in the above captioned actions.

5. I am an attorney licensed under the laws of the Republic of Greece. Part of my work is the legal enforcement of freight collection on behalf of the respective Plaintiffs under the following bareboat charter parties:

<u>VESSEL</u>	<u>BB CHARTER</u>	<u>OWNER</u>	<u>CHARTERER</u>
M/T SPIKE	MARCH 20, 2010	TANK PUNK, INC.	SPIKE SHIPPING, LTD.
M/T AVOR	MAY 27, 2010	ECLIPSE LIQUIDITY, INC.	AVOR NAVIGATION, LTD.

M/T CVSTEALTH FEB 23, 2010 PSARA ENERGY, LTD SPACE SHIPPING, LTD.

6. For a number of years now the above vessels were chartered to the above charterers associated with Geden Lines. "Geden Lines" is a trade name of the Turkish corporation GENEL DENIZCILIK NAKLIYATI A.S., a shipping company which is headquartered in Istanbul, Turkey. The address of Geden Lines is : Buyukdere Cad. Yapi Kredi Plaza A Blok K: 12 34339 Levent -Istanbul - Turkey. See extracts from the June 24, 2013 Website of Geden Lines hereto attached as DOCUMENT A. This was the address of Geden Lines and it so remains today. See extract from the website of Geden Lines dated June 16, 21015 hereto attached as DOCUMENT B.

7. When the above vessels were first fixed, the charterer named on the respective charter party forms was " To Geden Holdings, Limited, Malta or nominee always guaranteed by Geden Line. Performance Guarantee to the satisfaction of Owners and their financiers to be mutually agreed". See Box 4 of the respective charter parties hereto attached respectively as :DOCUMENT C (SPIKE bareboat charter party); DOCUMENT D (AVOR bareboat charter party); DOCUMENT E (CV STEALTH bareboat charter party).

8. However, once Geden Holdings, Limited nominated the respective charterers of the vessels, with their names as noted in the foregoing paragraph 5, Geden Holdings Limited was no longer the bareboat charterer of the respective vessels but, with the agreement of the parties concerned, changed its role to that of performance guarantor. In due course, Geden Holdings, Limited signed performance guarantees in respect of each one of its nominee charterers noted in the foregoing paragraph 5. Copies of the said performance guarantees of Geden Holdings, Limited are hereto attached: in respect of the M/T SPIKE (Performance Guarantee dated May 27, 2010 as DOCUMENT F); in respect of the M/T AVOR (Performance Guarantee dated May 27, 2010 as DOCUMENT G); and in respect of the CV STEALTH (Performance Guarantee dated March 4, 2010, as DOCUMENT H).

Thus, once the respective charterers were named, they assumed their respective roles as bareboat charterers of the vessels and they, alone, were the parties that were invoiced monthly for charter hire.

9. I am informed that the respective defendants in the above captioned suits now contend that Geden Holdings, Limited was a co-charterer in each of the above captioned charter parties. This is not so, as it is plainly obvious from the above noted performance guarantees.

10. I refer to the above noted performance guarantees (DOCUMENTS F, G, and H) of Geden Holdings, Limited and note that each of them has been signed on behalf of the respective charterers and also on behalf of Geden Holdings, Limited by an individual named Togrul Tokhoz) .

11. I refer again to document G and note that though it lists on its letterhead a Maltese street address (85 St. John's Street, Valletta, Malta) , the telephone numbers listed on the letterhead are phone numbers in Istanbul, Turkey. Through my research I discovered that the telephone number 00090 212 319 51 00 belongs to GENEL DENIZCILIK NAKLIYATI AS, as it is plainly shown on the website of this company's contact numbers. See attached DOCUMENT B. In view of this it is fair to say that Geden Holdings, Limited shares the same telephone number.

12. I refer again to documents F, G, and H which state: "The address and full style details of the Guarantor are as follows:

GEDEN HOLDINGS LTD  
C/O  
BUYUKDERE CADDESI  
YAPI KREDI PLAZA A BLOCK K-12  
LEVENT-I ISTANBUL-TURKIYE  
E-mail address:chartering@gedenlines.comTel +902123195100 Fax+902122831604"

This street address is the same as that of Defendant Geden Lines, i.e. GENEL DENIZCILIK NAKLIYATI AS.

13. When the above noted bareboat charter parties were entered into, the respective

charterers i.e. SPIKE SHIPPING LIMITED; AVOR NAVIGATION, LTD and SPACE SHIPPING, LTD. were fully owned subsidiaries of Geden Holdings, Ltd., as is pled in the respective Complaints in the above suits.

14. Beginning in 2013 the performance of the above charterers, in terms of promptitude of payments of the agreed monthly charter hires, became erratic with several payments of hire becoming overdue, sometimes for periods longer than one month, forcing the respective owners to take legal action to secure the outstanding amounts. Some of these suits were filed in the United States District Court for the Southern District of Texas see e.g. G-13-cv-319; G-13-cv-321; G-13-cv-322.

15. Following these suits some of the owners of the tonnage controlled by Geden Lines, sought to establish legal presence in Texas and registered as foreign corporations. One of these was Target Shipping, Ltd. the, former owner of the M/T TARGET, recently re-named ADVANTAGE ARROW and now in the registered ownership of Defendant ADVANTAGE ARROW SHIPPING, LTD.

16. In the Texas Secretary of State records the officers and directors of Target Shipping, Ltd are shown to be as follows:

"MEHMET MAT CHIEF FINANCIAL OFFICER, YAPI KREDI PLAZA BLOK K. 15 ISTANBUL, [STATE NOT PROVIDED] 34330 USA;

MEHMET MAT DIRECTOR YAPI KREDI PLAZA BLOK K. 15 ISTANBUL, [STATE NOT PROVIDED] 34330 USA

ALI TUGRUL TOKGOZ CHIEF EXECUTIVE OFFICER, YAPI KREDI PLAZA A BLOCK K. 12 ISTANBUL, [STATE NOT PROVIDED] 34330 USA

ALI TUGRUL TOKGOZ DIRECTOR YAPI KREDI PLAZA A BLOCK K. 12 ;ISTANBUL, 34330 USA

MEHMET BULENT ERGIN DIRECTOR YAPI KREDI PLAZA A BLOK K. 12 ,ISTANBUL, [STATE NOT PROVIDED] 34330 USA"

17. In its September 17, 2014 Texas Franchise Tax Public Information Report, Target Shipping Ltd. reported the following persons as its officers and directors:

MEHMET MAT CFO and director;

ALI TUGRUL TOKHOZ CEO and director  
MEHMET BULENT ERGIN director

It also provided the following address as the principal address of Target Shipping Ltd.: Buyukdere Cad, Yap. Kredi Plaza A Block 12 34330, Istambul, Turkey. This is the same address that was provided by directors Tokhoz and Ergin. Director Mat's address was reported as "Yapi Kredi Plaza A Blok K. 15". A copy of the above documents from the records of the Texas Secretary of State are hereto attached as DOCUMENT I. The registration of Target Shipping, Ltd was withdrawn with effect from May 4, 2015.

18. I refer to the same category of records of registration of Geden Holdings, Ltd. copies of which are hereto attached as DOCUMENT J. These filings, respectively, showing the management of Geden Holdings Ltd. and its franchise tax report for the year 2014 indicate that the same individuals, namely MEHMET MAT; ALI TUGRUL TOKHOZ and MEMHET BULENT ERGIN are the officers and directors of Geden Holdings, Ltd.

19. On or about June 2, 2015 all three charterers failed to remit hire under the above noted charter parties which was due on June 1, 2015. In preparation for legal action to enforce collection, I researched for the location of the vessels that were part of the fleet of vessels owned by Geden Holdings, Ltd. through one-ship-entities, and I could not find them. I further researched using the vessels' IMO numbers and I discovered that the entire fleet of some 9 tankers had recently changed names, corporate owners, and registration. The result of my search was as follows:

FORMER NAME: **PROFIT**  
NEW NAME: **ADVANTAGE SOLAR**  
FORMER OWNER: **PROFIT SHIPPING LTD**  
NEW OWNER: **ADVANTAGE SOLAR SHIPPING LLC**

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FORMER NAME: **TARGET**  
NEW NAME: **ADVANTAGE ARROW**  
FORMER OWNER: **TARGET SHIPPING LTD.**  
NEW OWNER: **ADVANTAGE ARROW SHIPPING LLC**

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FORMER NAME: **TRUE**  
NEW NAME: **ADVANTAGE AVENUE**

FORMER OWNER: **TRUE SHIPPING LTD.**  
NEW OWNER: **ADVANTAGE AVENUE SHIPPING LLC**

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FORMER NAME: **BLUE**  
NEW NAME: **ADVANTAGE SKY**  
FORMER OWNER: **BLUE SHIPPING LTD.**  
NEW OWNER: **ADVANTAGE SKY SHIPPING LLC**

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FORMER NAME: **PINK**  
NEW NAME: **ADVANTAGE SUMMER**  
FORMER OWNER: **PINK SHIPPING LTD.**  
NEW OWNER: **ADVANTAGE SUMMER SHIPPING LLC**

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FORMER NAME: **BLANK**  
NEW NAME: **ADVANTAGE START**  
FORMER OWNER: **BLANK SHIPPING LTD.**  
NEW OWNER: **ADVANTAGE START SHIPPING LLC**

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FORMER NAME: **REEF**  
NEW NAME: **ADVANTAGE SPRING**  
FORMER OWNER: **REEF SHIPPING LTD**  
NEW OWNER: **ADVANTAGE SPRING SHIPPING LLC**

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FORMER NAME: **BRAVO**  
NEW NAME: **ADVANTAGE ATOM**  
FORMER OWNER: **BRAVO SHIPPING LTD.**  
NEW OWNER: **ADVANTAGE ATOM SHIPPING LLC**

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FORMER NAME: **POWER**  
NEW NAME: **ADVANTAGE ANTHEM**  
FORMER OWNER: **BARBAROS MARITIME LTD.**  
NEW OWNER: **ADVANTAGE ANTHEM SHIPPING LLC**

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To further pursue my investigation I ordered from the Marshall Islands vessel registration records, where all of the above vessels were newly registered, copies of their respective mortgages and loan agreements.

20. Once I received the Marshall Islands Register records I realized that the entire corporate ownership structure of these vessels had changed. Geden Holdings, Ltd. - the performance guarantor - was no longer the 100% shareholder of these assets through the former one-ship-companies that owned

them. It had been substituted by a new corporate entity - ADVANTAGE TANKERS, LLC. ALI TUGRUL TOKHOZ, the CEO and director of TARGET SHIPPING, LTD. and GEDEN HOLDINGS LTD. was now a 15% owner of the former Geden Holdings, Ltd tanker fleet through intermediary holding companies ADVANTAGE TANKERS LLC, ADVANTAGE HOLDINGS LLC and FORWARD HOLDINGS, LLC. See, Organization Chart showing the restructured ownership extracted from the mortgage dated 2 April 2015 for the ADVANTAGE ARROW and respective associated loan agreement hereto attached as DOCUMENT K., Specifically with reference to the former M/T TARGET (renamed ADVANTAGE ARROW) it was mortgaged to secure loans advanced not only to its own owner but also loans advanced to Advantage Avenue Shipping, LLC owner of a tanker vessel formerly named TRUE and now renamed ADVANTAGE AVENUE, with Advantage Tankers LLC being the loan guarantor. (Copies of the cover page and page 1 of the mortgage dated 2 April 2015, and copies of the loan agreement pages 1, 10, 17, 18, 19, 28-31, and Schedule I at pp. 128-130; are hereto attached as DOCUMENT L)

21. In my review of loan agreements of the restructured ownership I note that the respective new one-ship-companies are bound by the signature of MEHMET MAT who signs on behalf of both the respective borrowers and the Guarantor, in those of the loan agreements that provide that ADVANTAGE TANKERS, LTD. is the corporate Guarantor in the respective loan agreements. See e.g. signature page of ADVANTAGE SOLAR loan agreement together with respective Schedule 1 setting out the particulars of borrowers, obligors and addresses for service of notices, hereto attached as DOCUMENT M. See also the same respective pages for the ADVANTAGE ARROW loan agreement, and also pp. 47 -49 thereof that deal with the obligations of the guarantor of the loan agreement hereto attached as DOCUMENT N.

22. In my review of the loan agreements of the restructured ownership I note



that GENEL DENIZCILIK NAKLAIYATI A.S. is designated as the commercial and technical manager of the vessels in respect of which the restructuring loan agreements were signed. See example: under the ADVANTAGE ARROW loan agreement definition and Schedule 2 attached hereto as DOCUMENT O; under the ADVANTAGE SOLAR loan agreement the same respective pages hereto attached as DOCUMENT P; under the ADVANTAGE SPRING loan agreement (dated 1 May, 2015) which under the definition of “Manager”, copy being hereto attached as EXHBIT Q.

23. From my review of the loan agreements I note that the borrowers and the guarantors designate the same business address for service of notices under the respective agreements, i.e. “Buyukdere Cad. Yapi Kredi Plaza A Block K. 12 34330 Levent Istanbul Turkey Fax No. + 90 212 325 58 14, Attn. Mehmet MAT” , See Schedule 1 to the ADVANTAGE ARROW loan agreement copy being hereto attached as DOCUMENT R; See Schedule 1 to the ADVANTAGE SOLAR loan agreement, a copy of which is hereto attached as DOCUMENT S.

24. I refer to a document attached hereto to which I refer as DOCUMENT T which is an exhibit that was filed in the United States District Court for the Southern District of Texas on May 20, 2013 in Civil Action 13-cv-01449. It is an interim financial report of the economic state of Geden Line and Geden Holdings Ltd as of May 2013 which deals with the accounts receivable and payable of the one-ship-companies on a consolidated basis.

25. From my review of the respective relevant loan agreements I note that they have specific terms requiring employment of the respective vessels to a particular charterer. In the case of the ADVANTAGE ARROW and ADVANTAGE AVENUE that charterer is Shell Western Supply and Trading of Barbados. See DOCUMENT P.

26. Ever since June 2015, all three Defendants against whom the above captioned suits were brought defaulted on their hire payment obligations without any justification or stated reason.

Under the penalties of perjury under the laws of the United States I declare that the contents of the above and foregoing declaration are true and correct.

Signed in Athens, Greece this <sup>K<sup>th</sup></sup>.....day of <sup>August</sup>.....2015



Despina Bacha

**DESPINA E. BACHA**  
LAWYER, MEMBER OF  
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